

## Tillamook City Franchise Hauler Rate Review Report

edited March 2018

Franchisee:

## City Sanitary Service

## REVENUE

City Sanitary Service

	Total					Tillamook City franchise area only				
	2017 actual	7/1/18-6/30/19 projected w/o rate change	7/1/18-6/30/19 projected w/ 3% rate change	% change	Allocation method	2017 actual	7/1/18-6/30/19 projected w/o rate change	7/1/18-6/30/19 projected w/ 3% rate change	% change	Allocation method/comments
REVENUE										
Route collection Services	\$1,941,076	\$1,979,898	\$2,039,294	5%	Actual	\$963,112	\$982,374	\$1,011,845	5%	
Drop Box Services										
Rental revenue	\$66,278	\$67,604	\$67,604	2%	45% cust. Count	\$29,825	\$30,422	\$30,422	2%	down from 46% in 2016
Non-franchised revenue & pass-through revenue	\$299,727	\$308,719	\$308,719	3%	45% cust. Count	\$134,877	\$169,795	\$169,795	26%	
Recycling revenues	\$21,813	\$20,000	\$20,000	-8%	Actual	\$20,147	\$20,000	\$20,000	-1%	
Other revenue (med waste, interest)	\$5,918	\$6,000	\$6,000	1%	Actual	\$5,918	\$6,000	\$6,000	1%	
Total revenue	\$2,334,812	\$2,382,220	\$2,441,617	5%		\$1,153,879	\$1,208,591	\$1,238,062	7%	
Number of regular route customers as of January 1, 2017*	2923				Actual	1371				
Number of regular route customers as of July 1, 2017*	3049				Actual	1336				
Number of regular route customers as of January 1, 2018*	3121				Actual	1357				
Regular route tonnage for 2017:	5148.77	tons			50% truck weights	2574.39	tons			
*Regular route customers are usually cans, carts, dumpsters, based on service listings.										
Number of drop box pulls in 2017:	1677				45% cust. Count	754.65				
Drop box tonnage for 2017:	4069.14	tons			50% truck weights	2034.57	tons			

## EXPENSES

## Operational expenses

Disposal expense (franchised) 9217.91 tons up 72.71	\$716,393	\$737,885	\$737,885	3%	50% truck weights	\$358,197	\$368,943	\$368,943	3%	Down from 55% in 2016
Disposal expense (other) med waste	\$5,210	\$6,000	\$6,000	15%	all city	\$5,210	\$6,000	\$6,000	15%	
Recycling collection expense				#DIV/0!	n/a				#DIV/0!	
Recycling processing expense	\$4,567	\$6,000	\$6,000	31%	all city	\$4,567	\$6,000	\$6,000	31%	
Labor-related expenses										
Labor expense	\$333,119	\$335,000	\$335,000	1%	47% labor hours	\$156,566	\$157,450	\$157,450	1%	up from 45% in 2016
Taxes, insurance	\$212,262	\$215,000	\$215,000	1%	47% labor hours	\$99,763	\$101,050	\$101,050	1%	
Other labor-related expense	\$84,270	\$85,000	\$85,000	1%	47% labor hours	\$39,607	\$39,950	\$39,950	1%	
Operations-related expenses										
Fuel	\$51,434	\$52,000	\$52,000	1%	47% labor hours	\$24,174	\$24,440	\$24,440	1%	
Repairs and Maintenance	\$12,325	\$13,000	\$13,000	5%	47% labor hours	\$5,793	\$6,110	\$6,110	5%	
Depreciation and Amortization	\$172,968	\$190,000	\$190,000	10%	47% labor hours	\$81,295	\$89,300	\$89,300	10%	
Equipment Lease and/or Rent	\$60,000	\$60,000	\$60,000	0%	47% labor hours	\$28,200	\$28,200	\$28,200	0%	
Property Lease and/or Rent	\$43,491	\$44,000	\$44,000	1%	47% labor hours	\$20,441	\$20,680	\$20,680	1%	
Equipment expense (eg. short-term rental) Truck Repairs	\$80,168	\$82,000	\$82,000	2%	47% labor hours	\$37,679	\$38,540	\$38,540	2%	
Insurance expense	\$37,543	\$38,000	\$38,000	1%	47% labor hours	\$17,645	\$17,860	\$17,860	1%	
Other operational expense (incl. franchise fees)	\$44,456	\$46,000	\$46,000	3%	Actual	\$43,331	\$44,875	\$44,875	4%	
Total operational expenses	\$1,858,205	\$1,909,885	\$1,909,885	3%		\$922,467	\$949,398	\$949,398	3%	
Number of route collection trucks as of January 1, 2017	10					10				
Number of route collection trucks as of January 1, 2018	11					11				
Number of drop box collection trucks as of January 1, 2017	5					5				
Number of drop box collection trucks as of January 1, 2018	5					5				

## Administrative expense

Management services	\$169,888	\$170,000	\$170,000	0%	45% cust. Count	\$76,450	\$76,500	\$76,500	0%	
Administrative services	\$10,392	\$11,000	\$11,000	6%	45% cust. Count	\$4,676	\$4,950	\$4,950	6%	
Postage, phones, office supplies, utilities, etc.	\$50,033	\$50,000	\$50,000	0%	45% cust. Count	\$22,515	\$22,500	\$22,500	0%	
Advertising and outreach expenses	\$10,126	\$12,000	\$12,000	19%	45% cust. Count	\$4,557	\$5,400	\$5,400	19%	
Education, Training, Publications, dues	\$4,923	\$5,000	\$5,000	2%	45% cust. Count	\$2,215	\$2,250	\$2,250	2%	
Bad debts	\$9,125	\$8,000	\$8,000	-12%	Actual	\$3,607	\$4,000	\$4,000	11%	
Other admin. Expenses	\$26,844	\$27,000	\$27,000	1%	45% cust. Count	\$12,080	\$12,150	\$12,150	1%	
Total administrative expenses	\$281,331	\$283,000	\$283,000	1%		\$126,099	\$127,750	\$127,750	1%	

Return on income before taxes (revenue - allowable costs)

## Operating margin

	\$195,276	\$189,335	\$248,732	27%		\$105,313	\$131,443	\$160,914	53%	
	8.4%	7.9%	10.2%	22%		9.1%	10.9%	13.0%	42%	

## Tillamook City Rates

### Current and Proposed Rates

#### Trash Cans/Rollcarts

	Current (32-36 gallon cans/rollcarts)	Proposed
Curbside weekly pickup	\$17.10	\$17.60
Curbside twice weekly pickup	\$34.20	\$35.20
Curbside every Other Week pickup	\$15.50	\$16.00
Curbside Once a Month pickup	\$7.75	\$8.00
Each Additional Can	\$5.10	\$5.25

In Yard weekly pickup	\$19.50	\$20.10
In Yard twice weekly pickup	\$39.00	\$40.20
In Yard every Other Week pickup	n/a	n/a
In Yard Once a Month pickup	n/a	n/a
Each Additional Can	\$5.10	\$5.25

#### Rental Fees

Trash Cans/Rollcarts (per month)	\$3.00	\$3.00
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95 Gallon CCR Cart 2xM	service fee	\$1.00
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#### Containers

	Current	Proposed
	1 cubic yard container	
Weekly pickup	\$80.75	\$83.20
Each additional stop per week	\$80.75	\$83.20
Rental Fees	\$18.60	\$18.60

	3 cubic yard container	
Weekly pickup	n/a	
Each additional stop per week		
Rental Fees		

	6 cubic yard container	
Weekly pickup	n/a	
Each additional stop per week		
Rental Fees		

	Current (60-65 gallon cans/rollcarts)	Proposed
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	\$31.65	\$32.60
	\$63.30	\$65.20
	n/a	n/a
	n/a	n/a
	n/a	n/a

	\$36.10	\$37.20
	\$72.20	\$74.40
	n/a	n/a
	n/a	n/a
	n/a	n/a

	\$3.00	\$3.00
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	cart rental fee	\$3.00
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	Current	Proposed
	1 1/2 cubic yard container	
	\$116.65	\$120.15
	\$116.65	\$120.15
	\$18.60	\$18.60

	4 cubic yard container	
	n/a	

	8 cubic yard container	
	n/a	

	Current (90-95 gallon cans/rollcarts)	Proposed
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	\$46.20	\$47.60
	\$92.40	\$95.20
	n/a	n/a
	n/a	n/a
	n/a	n/a

	\$52.70	\$54.30
	\$105.40	\$108.60
	n/a	n/a
	n/a	n/a
	n/a	n/a

	\$3.00	\$3.00
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	Current	Proposed
	2 cubic yard container	
	\$147.50	\$151.95
	\$147.50	\$151.95
	\$18.60	\$18.60

	5 cubic yard container	
	n/a	

	2 cubic yard cardboard recycle	
	\$0.00	\$1.40
	\$18.60	\$20.00
	\$18.60	\$18.60

#### Roll-off/Drop Box containers (please list charges)

10-15 yd drop boxes

20-30 yd drop boxes

Current \$103 per hour Proposed \$106 per hour

Current \$109 per hour Proposed \$112 per hour

Drop Box Rent \$13/day \$200/month

#### Extra/Additional charges (eg. Go Back, On Call, Extra Stop, NSF check, replacement, etc.): Please list!

1 Medical Waste \$15/gallon 20 gal bin \$90

2 On call service \$7.75 per can

3 \$10 NSF fee, \$10 OTP restart fee

4 Lost roll cart replacement cost \$60